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Speeches and Major Press Releases

Oct. 28 - Nov. 4, 1983

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USDA ANNOUNCES 1984 EXTRA LONG STAPLE COTTON PROGRAM

WASHINGTON, Oct. 28—Secretary of Agriculture John R. Block today announced a 10 percent acreage reduction program for the 1984 crop of extra long staple cotton, with a program sign-up period from Jan. 16-Feb. 24, the same as for the wheat, feed grains and upland cotton programs.

Block said the 1984 crop is the first to be covered by the Extra Long Staple Cotton Act of 1983, which makes the extra long staple cotton program similar to the upland cotton program.

"A limited acreage reduction program is needed to prevent production from increasing too rapidly as the new legislation takes effect," Block said.

To be eligible for loans and deficiency payments, producers must agree to limit extra long staple cotton planted acreage to not more than 90 percent of their acreage base. An acreage of cropland equal to 11.11 percent of the extra long staple cotton planted acreage must be devoted to approved conservation uses, Block said.

The 1984 loan rate for extra long staple cotton will be 82.50 cents per pound; the target price will be 99 cents per pound.

Other 1984 extra long staple cotton program provisions include:

- The 1984 acreage base will be the average of the acres planted and prevented from being planted to extra long staple cotton during 1980, 1981 and 1982. An acreage base reserve equal to 5 percent of the total acreage base will be established to correct inequities, prevent hardship, and for establishing bases for farms on which no extra long staple cotton was planted during 1980-1983.

- Land designated for conservation use must have been devoted to row crops or small grains in two of the last three years, except for a summer fallow farm. In the case of summer fallow, conservation use acreage must be land that would have been planted to small grains or row crops in 1984 in the absence of the 1984 extra long staple cotton program. The land must be protected from wind and water erosion throughout the year.

— Offsetting and cross compliance will not apply to the 1984 program.

— No advance deficiency payments.

— Recourse loans will be available for seed cotton in 1984. The loan rate for seed cotton will be the same as the loan rate applicable to lint cotton adjusted to a lint basis. Recourse means that the borrower must repay the full dollar amount of the loan plus accrued interest.

— Contracts signed by program participants will be considered as binding and will provide for liquidated damages in cases of failure to comply with program requirements.

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USDA ANNOUNCES 1984 UPLAND COTTON PROGRAM

WASHINGTON, Oct. 28—Secretary of Agriculture John R. Block today announced a 25 percent acreage reduction program for the 1984 crop of upland cotton, with a program sign-up period from Jan. 16-Feb. 24, the same as for the wheat and feed grains programs.

Block said an acreage reduction program for upland cotton is needed to prevent ending stocks from rising to excessive levels. "With the payment-in-kind program, we have made excellent progress in bringing cotton supplies into line with demand," Block said. "We urge farmers to cooperate once more in an effort to avoid burdensome production and low prices."

To be eligible for price support benefits, producers must agree to limit upland cotton planted acreage to not more than 75 percent of their cotton acreage base. An acreage of cropland equal to 33.33 percent of the cotton planted acreage must be devoted to approved conservation uses.

Upland cotton price support provisions include a base loan rate for Strict Low Middling 1-1/16 inch cotton, micronaire 3.5-4.9, of 55 cents per pound and the minimum target price allowed by law. The current statutory minimum target price for the 1984 crop is 81 cents per pound. Other 1984 upland cotton program provisions include:

— The 1984 acreage base will be the average of the acres planted and considered planted to upland cotton in 1982 and 1983.

— Land designated for conservation use must have been devoted to row crops or small grains in two of the last three years, except for a summer fallow farm. In the case of summer fallow, conservation use acreage must be land that would have been planted to small grains or row crops in 1984 in the absence of the 1984 upland cotton program. The land must be protected from wind and water erosion throughout the year.

— Offsetting and cross compliance will not apply to the 1984 program.

— No advance deficiency payments.

— Recourse loans will be available for seed cotton in 1984. The loan rate for seed cotton will be the same as the loan rate applicable to lint cotton adjusted to a lint basis. Recourse means that the borrower must repay the full dollar amount of the loan plus accrued interest.

— Contracts signed by program participants will be considered as binding and will provide for liquidated damages in cases of failure to comply with program requirements.

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EMERGENCY LOAN APPLICATIONS SHOULD BE FILED EARLY, BLOCK SAYS

WASHINGTON, Nov. 1—Secretary of Agriculture John R. Block today advised eligible farmers to submit promptly their applications for drought assistance from USDA's Farmers Home Administration, even if their crops are not yet completely harvested.

"I strongly encourage farmers in designated counties who think they are eligible for emergency loans to apply right away so we can begin processing their applications," Block said.

"Even though a harvest may not yet be completed or exact losses certified, the applications may be filed now in county Farmers Home Administration offices. Once that is done, farmers can wait until losses are determined before providing final information to support their applications."

If they wait until the filing deadline—six months after the county is designated—farmers risk delays in receiving loans because of the rush of last minute applications, he said.

Block also assured farmers they would not be adversely affected if portions of the disaster loan program are changed.

"I want those farmers who do file early to be assured that if any changes should be made in the authorizing legislation, we will support such changes being made retroactive to the time the designations were made," he said.

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USDA DROPS WEIGHT MONITORING FOR UNTIED SHEETED BURLEY TOBACCO

WASHINGTON, Nov. 1—A 250-pound maximum weight requirement included in the recently adopted rule providing farmers official grading of U.S. Type 31 Burley tobacco offered for sale at auction when displayed untied on burlap sheets has been dropped, a U.S. Department of Agriculture official said today.

Lioniel S. Edwards, a marketing official with USDA's Agricultural Marketing Service, said the change was needed because weight limitations are presently controlled at the state rather than the federal level.

"Weight regulations are a state-regulated concern and package weight is not a consideration of our federal inspectors in the tobacco grading process," he said.

The weight monitoring requirement was included in the "Supplementary Information" of the final rule that appeared in the Sept. 7 Federal Register extending grading service to untied sheeted Burley tobacco. USDA's decision to include it at that time followed a recommendation received during the public comment period.

USDA's Agricultural Marketing Service establishes grade standards and provides official grading for most domestic grown tobacco. Under the Tobacco Inspection Act, tobacco must be officially inspected to be sold at auction at any designated markets.

Notice of the modification is scheduled to be published in the Nov. 2 Federal Register, available in many public libraries.

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KELLOGG FOUNDATION OFFICER TO DELIVER KNAPP MEMORIAL LECTURE

WASHINGTON, Nov. 1—Russell G. Mawby, chairman of the board and chief executive officer of the W. K. Kellogg Foundation in Battle Creek, Mich., will present the 1983 Seaman Knapp memorial lecture here on Nov. 14.

The lecture will be given at a meeting of the National Association of State Universities and Land Grant Colleges at the Shoreham Hotel, Nov. 13-16.

Mary Nell Greenwood, administrator of the U.S. Department of Agriculture Extension Service, said the lecture is the fourth in an annual series commemorating the work of Seaman A. Knapp, "the father of the cooperative extension concept." She said Knapp's success as a national leader of the farm and home demonstration system helped bring about the Smith-Lever Act of 1914, which resulted in the organization of the Cooperative Extension Service in every state.

"We are pleased," she said, "that this year's lecture by Russ Mawby includes his observations of the historical life and times of Seaman Knapp as well as Knapp's development of what we think of today as the firm basis of our nationwide Extension educational system."

Mawby joined the Kellogg Foundation in 1965 as director of the foundation's division of agriculture, became vice president in 1967 and president in 1970. He rose to his present position in 1982.

The foundation, one of the largest philanthropic organizations in the U.S., makes grants totaling over \$57 million annually. Its grants help support adult continuing education, betterment of health, a wholesome food supply, and broadened leadership capacity.

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RESERVE IV CORN REMAINS IN RELEASE STATUS

WASHINGTON, Nov. 1—Corn entered in the farmer-owned grain reserve from Oct. 6, 1981, through June 30, 1982, will remain in release status through Nov. 30, according to a U.S. Department of Agriculture official.

Everett Rank, administrator of USDA's Agricultural Stabilization and Conservation Service, said the corn remaining released is in Reserve IV. Reserve V corn, which is corn placed in reserve after July 1, 1982, and the oats and sorghum which had been in release status, have been taken out of release, Rank said.

Rank said the decision on the reserve commodities was made following a review by USDA's Commodity Credit Corporation of their average market prices Nov. 1, as reported by USDA's Agricultural Marketing Service, adjusted to reflect the market price received by farmers.

On Nov. 1, the adjusted price for corn was \$3.24 per bushel, above the release level of \$3.15 for reserve IV corn but below the \$3.25 release level for reserve V corn. The approximate adjusted price for sorghum was \$4.92, below the reserve IV release level of \$5.36. Oats had an adjusted price of \$1.63 per bushel, below the \$1.65 reserve release level.

Data used by CCC include daily prices compiled by the Agricultural Marketing Service, as well as the month-end report of prices received by farmers issued by USDA's Statistical Reporting Service. This end-of-month report shows the previous month's average price and the current mid-month price.

Daily markets reviewed by CCC are Kansas City, Minneapolis, Omaha and St. Louis for corn; Kansas City and Texas High Plains for sorghum, and Minneapolis for oats.

For reserve IV corn loans storage payments will remain stopped and interest will continue to accrue. Storage payments will resume and interest accrual will stop for reserve V corn and all sorghum and oats loans.

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USDA RELEASES COST OF FOOD AT HOME FOR SEPTEMBER

WASHINGTON, Nov. 2—Here is the U.S. Department of Agriculture's monthly update of the weekly cost of food at home for September 1983.

	Plans			
	Thrifty	Low-cost	Moderate-cost	Liberal
Families:				
Family of 2 (20-50 years)	\$35.30	\$44.20	\$54.40	\$67.00
Family of 2 (51 years and over)	33.50	42.30	52.00	61.90
Family of 4 with preschool children	51.40	63.70	77.60	94.60
Family of 4 with elementary school children	59.00	74.80	93.50	112.00
Individuals in four-person families:				
Children:				
1-2 years	9.30	11.20	13.00	15.60
3-5 years	10.00	12.30	15.10	18.10
6-8 years	12.30	16.20	20.30	23.70
9-11 years	14.60	18.40	23.70	27.40
Females:				
12-19 years	15.20	18.20	21.90	26.40
20-50 years	15.20	18.80	22.70	28.80
51 and over	15.10	18.20	22.40	26.60
Males:				
12-14 years	15.30	20.90	26.10	30.60
15-19 years	15.90	21.80	26.90	31.10
20-50 years	16.90	21.40	26.80	32.10
51 and over	15.40	20.30	24.90	29.70

USDA's Human Nutrition Information Service computes the cost of food at home for four food plans—thrifty, low-cost, moderate-cost and liberal.

Isabel Wolf, administrator of the Human Nutrition Information Service, said the plans consist of foods that provide well-balanced meals and snacks for a week.

USDA assumes all food is bought at the store and prepared at home. Costs do not include alcoholic beverages, pet food, soap, cigarettes, paper goods and other nonfood items bought at the store.

"USDA costs are only guides to spending," Wolf said. "Families may spend more or less, depending on such factors as where they buy their food, how carefully they plan and buy, whether some food is produced at home, what foods the family likes and how much food is prepared at home.

"Most families will find the moderate-cost or low-cost plan suitable," she said. "The thrifty plan, which USDA uses to set the coupon allotment in the food stamp program, is for families who have tighter budgets. Families with unlimited resources might use the liberal plan."

To use the chart to estimate your family's food costs:

- For members eating all meals at home—or carried from home—use the amounts shown in the chart.

- For members eating some meals out, deduct 5 percent from the amount shown for each meal not eaten at home. Thus, for a person eating lunch out five days a week, subtract 25 percent, or one-fourth the cost shown.

- For guests, add 5 percent of the amount shown for the proper age group for each meal.

Costs in the second part of the chart are for individuals in four-person families. If your family has more or less than four, total the "individual" figures and make these adjustments, because larger families tend to buy and use food more economically than smaller ones:

- For a one-person family, add 20 percent.
- For a two-person family, add 10 percent.
- For a three-person family, add 5 percent.
- For a five- or six-person family, subtract 5 percent.
- For a family of seven or more, subtract 10 percent.

Details of the four family food plans are available from the Consumer Nutrition Division, Human Nutrition Information Service, USDA, Federal Building, Hyattsville, Md. 20782.

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FARMER-OWNED GRAIN RESERVE V CORN RELEASED

WASHINGTON, Nov. 2—Corn placed in the farmer-owned reserve after June 30, 1982, was released for redemption, effective immediately, by Everett Rank, executive vice president of the U.S. Department of Agriculture's Commodity Credit Corporation.

Rank said this means farmers now may sell—but are not required to sell—their reserve V corn after repaying their CCC price support loan. This corn had been removed from release status Nov. 1 when the adjusted price had fallen 1 cent below the reserve release level.

The reason for today's action, he said, was that the national average price received by farmers for corn had reached \$3.25 per bushel, the same as the \$3.25 per bushel release level for reserve V corn.

USDA makes storage payments to farmers with grain in the reserve. Upon repayment of the loan, farmers can keep the storage payments earned through the date of repayment.

Release of reserve V corn will continue through Dec. 31, Rank said. If the five-day national average market price remains at or above \$3.25 on Jan. 3, storage earnings will stop and interest on the price support loan will begin to accrue for corn that has been in reserve V for more than one year. Interest already is accruing on loans for corn that has been in reserve less than one year.

If the Jan. 3 price falls below \$3.25, reserve V corn no longer will be in release status and farmers will continue earning storage payments.

Data used by CCC in determining the release level include five-day moving average prices—as reported by USDA's Agricultural Marketing Service—which show prices bid by buyers at selected markets, and a month-end report of prices received by farmers issued by USDA's Statistical Reporting Service. This report shows the previous month's average price and the current mid-month price.

Daily markets reviewed by CCC for corn are Kansas City, Minneapolis, Omaha and St. Louis.

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BLOCK APPOINTS KAREN DARLING AS DEPUTY ASSISTANT SECRETARY OF AGRICULTURE

WASHINGTON, Nov. 3—Secretary of Agriculture John R. Block today named Karen K. Darling deputy assistant secretary of agriculture for Marketing and Inspection Service.

"I have worked closely with Ms. Darling for three years, during which she has served my office, the department and the public in the most commendable possible fashion," Block said. "I know she will continue this record of achievement in her new assignment."

Darling joined USDA in March 1981 as special assistant to Assistant Secretary of Agriculture C.W. McMillan. She was previously with the National Cattlemen's Association in Washington, D.C.

A native of Cheyenne, Wyo., Darling worked from 1975 to 1979 for the U.S. Senate, most recently as legislative assistant for agriculture to Sen. S.I. Hayakawa (R-Calif.).

In her new position, Darling will assist with policy issues affecting the Animal and Plant Health Inspection Service, the Packers and Stockyards Administration, the Agricultural Marketing Service, the Agriculture Cooperative Service, the Office of Transportation, the Federal Grain Inspection Service and the Food Safety and Inspection Service.

Darling will share duties with Deputy Assistant Secretary John Ford.

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Background

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AQUACULTURE—A FAST GROWING INDUSTRY

Aquaculture is the controlled cultivation and harvest of aquatic plants and animals. In the United States, aquaculture almost totally means raising fish and shellfish. Aquatic plants are grown in the United States primarily to make extracts used as emulsifiers and stabilizers for industrial purposes. But in Asia, aquatic plants are grown for food.

World-wide, aquaculture is growing fast. Global production—estimated at more than 21 billion pounds*—increased significantly over the past 15 years. Total U.S. production is almost 400 million pounds, about 11 percent of the fish and shellfish we eat in the United States and a substantial increase over 1975's production of 130 million pounds.

History

Aquaculture is responsible for some of the beautiful ornamental fish we have today. What began as a hobby for the wealthy in this country in the 1890's really started in China 4,000 years ago. By 200 B.C., people were raising fish in commercial quantities for the first time. But only recently has large-scale aquaculture become feasible.

Today aquaculture produces more than 40 percent of our oysters, most of our catfish and crawfish, nearly all our rainbow trout and smaller quantities of several other fish. Total value to U.S. producers was about \$374 million in 1982. In the United States, we import more than half the fish and shellfish we eat, at a cost of more than \$3.5 billion. We export only a half billion dollars' worth.

Catfish are the biggest sellers. During 1980, catfish were "farmed" at 1,069 commercial operations in 15 leading catfish growing states. Baitfish, trout, oysters and crawfish are runners-up, in that order, in thousands of other commercial operations located in virtually every state.

United States producers feed their fish wholesome diets and treat them through sanitation, disinfection of equipment or appropriate chemicals or drugs to prevent or cure disease. They raise their fish

mostly in ponds, which vary in size, shape and depth. Many fish species lend themselves to pond culture. They include coldwater fish such as trout, char and salmon; coolwater species—walleye, perch, muskellunge and northern pike; and warmwater fish—carp, catfish, tilapia and others.

Producers usually use raceways, silos and circular pools made of concrete, fiberglass or metal to raise larger numbers of fish than might be raised in the same area used as a pond. Cages and pens lend themselves to bodies of water that can't be drained or otherwise manipulated for harvesting. Fish farmers use cages in fresh waters and pens in sea waters. Fish raised in pens and cages include catfish, trout and salmon.

Sea ranching

Only fish that return to their place of birth to spawn—such as salmon or striped bass—are used for sea ranching. The young fish are released by the fish farmer to migrate to sea, where they feed and grow to maturity. Maturation stimulates the adult fish to return to their release point, where they're harvested.

Usually, less than 3 percent of all sea-ranched salmon are captured by those who released them. However, commercial and sport fishers catch many. By using sea ranching, fish farmers avoid the long-term feeding expense.

Some countries have been successful in promoting fish farming and rely heavily on aquaculture for their fish. Half the fish consumed in Israel, over 25 percent of the fish consumed in China and India and about 10 percent of that consumed in Japan comes from aquaculture.

Worldwide, producers cultivate at least 93 species of finfish, seven of shrimp or prawns, six of crawfish and many species of oysters, clams and other shellfish, and a wide variety of freshwater and marine plants. Small operators produce most of the finfish and shrimp, while larger farms produce most of the oysters, mussels and seaweed.

Why the rise in U.S. Aquaculture?

The expansion occurred because Americans began eating more fish and shellfish (10.3 pounds in 1960, 13.0 pounds in 1980). People started to believe a limit to commercial fishing of traditional species had been—or or shortly would be—reached. The United States was importing more fish and fish products than it was exporting.

In addition, research and education programs in both federal and state college and university laboratories began giving support to aquaculture. Federal and state workers in aquaculture areas gave support through extension education and technical assistance. State and federal governments began growing more aware of the industry's problems and started encouraging fish farming.

The Joint subcommittee on Aquaculture

According to the National Research Council, many constraints on the orderly development of aquaculture were political and administrative, rather than scientific and technological. Many of these constraints persist.

Some observers argue that jurisdictional overlap and inadequate coordination by the federal government led to ineffective federal support of emerging aquaculture industries.

Congress created the National Aquaculture Act (P.L. 96-362) in September 1980, "to encourage development of aquaculture in the United States." The act recognized a joint subcommittee on aquaculture as the vehicle to coordinate federal support of aquaculture.

The subcommittee is composed of 12 federal agencies and departments. It released its National Aquaculture Development Plan in October, 1983. Leaders in the federal effort are the U.S. departments of Agriculture, Commerce and Interior.

Some obstacles noted by the subcommittee include continued use of fish and shellfish that haven't been genetically improved for culture; a poor understanding of the nutrition and diet of fish and shellfish; continuing problems in preventing and controlling diseases; and poor knowledge of water quality criteria.

These obstacles—coupled with a need for education, information and technological assistance and a need to understand markets and

marketing barriers for aquaculture—still discourage a more rapid and orderly expansion of fish farming.

JSA'S Operating panels

Through three panels—science, technology and engineering; economics; and education and technical assistance—the Joint Subcommittee on Aquaculture will coordinate and monitor federal aquaculture programs. It will review, assess and recommend policy and report on aquaculture activities.

Industry concerns include: raising feed quality while lowering feeding costs—now more than half the cost of fish production; encouraging universities and similar institutions to help train more people to work in aquaculture; developing more research to prevent the 50 percent death rate of fish from disease and contamination in hatching and rearing operations.

Some actions that will help include the creation of a national aquaculture information system. Through it, USDA's National Agricultural Library will link federal data banks containing information about aquaculture. Through the system, bibliographic files, translations of foreign articles, selected directories, statistics, survey results and research projects will be accessible at a single entry point.

The subcommittee will coordinate exchange of information with other nations and monitor bilateral efforts to assure that the United States gets maximum benefit from information from these programs. Most recently, the United States joined an aquaculture planning group established under the Versailles summit of heads of state. USDA will lead U.S. participation through the subcommittee.

Lack of financing isn't a constraint to existing commercial aquaculture, but it is for aquaculturists experimenting with new culture systems or untested fish. While the subcommittee doesn't justify creating new federal financing programs, it plans to educate the financial community about fish farming and tell fish farmers about funding sources.

Regulations, permits and procedures

While the subcommittee said it's unreasonable to expect the aquaculture industry to get special exemptions from environmental and health regulations, the subcommittee said it isn't unreasonable for fish farmers to have equity with competing activities.

Many regulatory decisions that involve fish farmers occur at state or local levels, the subcommittee said in its development plan. Some regulations require permits to allow fish farmers to dredge and fill and discharge water from their fish ponds. Drug and chemical registration procedures are of particular importance to producers. As are fish and shellfish health programs that restrict movement of non-native species.

The subcommittee plans to review aquaculture problems with federal regulatory agencies and promote public discussion of fish farming. Periodically, the subcommittee plans to publish directories of federal regulations affecting fish farming.

Each State involved

Meanwhile, the law makes the U.S. departments of Agriculture, Commerce and Interior responsible for providing scientific and technical research, pilot testing and demonstration, economics and information and technology assistance. In fiscal 1982, the three departments spent \$9.5, \$8.3 and \$4.5 million respectively on aquaculture activities.

The secretary of agriculture is expected to name an aquaculture advisory board to help further pinpoint industry needs that USDA programs can help. The board also will recommend research and extension priorities. USDA is authorized by the 1981 farm bill to make up to \$50,000 available to each state in matching funds to encourage states to develop their own aquaculture plans. USDA is also giving grants to help states develop better markets for aquaculture products.

The bill also called for up to four regional research, development and demonstration centers for aquaculture.

USDA'S Aquaculture activities

The USDA has some additional aquaculture programs: post harvest technology, including studying the use of fish and shellfish byproducts; fish and shellfish genetics and the off-flavors of some fish and shellfish; providing support for aquaculture research in land grant universities and state agricultural experiment stations.

USDA also disseminates research and technology results through the Cooperative Extension Service to help producers solve production, marketing and management problems; provides technical assistance to potential fish farmers, including assessing soil and water quality and adequacy and the design and layout of proposed aquaculture facilities; and performs supply, demand and price analysis on major freshwater fish.

Still other programs include: buying surplus catfish production to be used in the federal food and nutrition programs; providing field veterinary consultation to local officials and fish producers (USDA also administers the VirusSerum-Toxin Act of 1973 pertaining to biological products for fish); extending credit to fish farmers by making direct or guaranteed loans to help them buy, operate or expand their operation; through a cooperation agreement with the Catfish Farmers of America, helping promote markets for catfish abroad; and the USDA also has conducted national surveys of catfish and trout production, acreage and related information.

* The information contained in this document was compiled by members of the Joint Subcommittee on Aquaculture.

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